

# **Rainey Street**

## **Recommendations for Action**

**Downtown Commission**

**December 2003**

## **Rainey Street: Recommendations for Action**

The area around Rainey Street, in Downtown Austin's southeast corner, has long been poised for a transition. While the principally residential character of Rainey Street remains, many of the area's residents and property owners have expressed a desire to sell their property and move out. Others have voiced interest in preserving certain aspects of the existing neighborhood, including its historic character, its tree canopy, and its relatively affordable housing supply.

To date, the result has been an extended stalemate, which virtually all agree is not in the best interest of either the neighborhood or the wider community. Because of the neighborhood's location adjacent to the Central Business District, property values have risen, increasing the tax burden on owners and residents. But because the future of the area is so uncertain, investors have been reluctant to step in, and current owners have been reluctant either to sell or to reinvest in their properties. Meanwhile, many old houses in the area are decaying.

In an effort to assist in moving forward, the Downtown Commission proposed to gather input and make recommendations regarding the future of the Rainey Street area. In May 2003, the commission sent notices to property owners and other interested parties seeking input. The commission's Rainey Street Committee heard from many of these interested parties at a meeting on June 24, and both the committee and the full commission have since had multiple meetings with city staff and others to develop a set of findings and recommendations. These recommendations have also been discussed at length during monthly commission meetings.

### **A. Principal finding: Redevelopment is looming.**

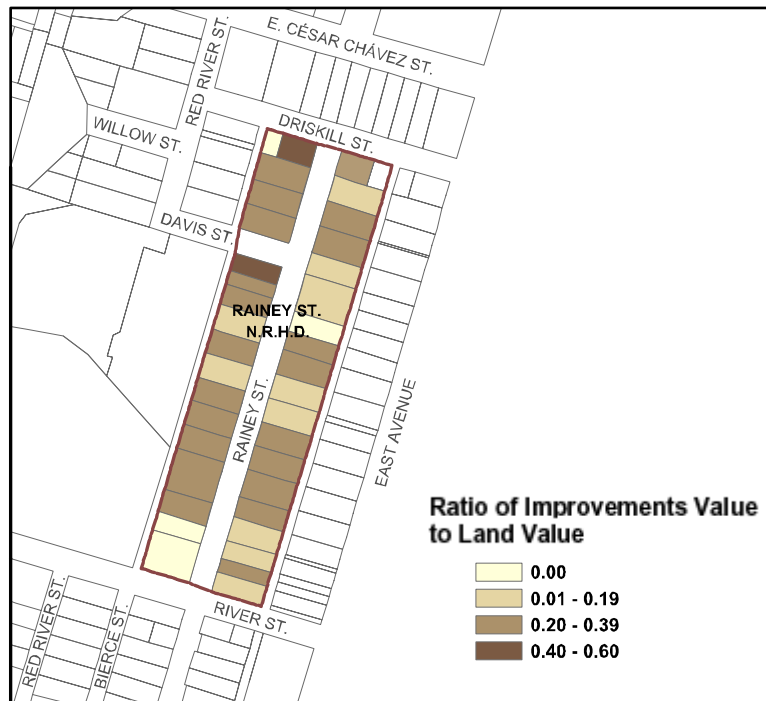
Based on input received, the commission's clear impression is that the Rainey Street area is ripe for redevelopment. Many owners in the area are eager to sell their properties for development, and hope to achieve returns based on more intense zoning than currently exists.

Data from the Travis Central Appraisal District tends to confirm that redevelopment pressures are mounting. In a May 2000 study of the south shore of Town Lake, the ROMA Design Group assessed redevelopment prospects by comparing the value of buildings with the value of the properties they sit on. A number of properties in that study area had buildings valued at more than twice the value of the land the buildings sat on. But many properties had lower ratios of building value to land value – generally between one and two,

with several ratios less than one, meaning the buildings on those properties were valued less than the land they sat on. Based on those lower ratios, the study concluded:

[T]he increasing value of land and the age of the buildings in the area are combining to make redevelopment more and more attractive from an economic standpoint, underscoring the need for development regulations that can guide development toward responsible and beneficial change.

Applying that same analysis to Rainey Street produces a striking contrast. The latest data indicate that not one lot on Rainey Street has a building valued at even half the value of the land it sits on. One building, at 96 Rainey Street, is valued at about 42 percent of the value of the land at that site. All other lots either are empty or have buildings valued at less than 40 percent of the value of the properties they sit on.



Obviously, if the building-to-land value ratios on the south shore underscored the need for development regulations in that area, the corresponding ratios in the Rainey Street area present a far more compelling indicator of imminent change.

This situation did not emerge overnight. The 1987 Town Lake Park Comprehensive Plan acknowledged the decline of the buildings in the Rainey Street area, and recommended careful redevelopment:

[T]his once-thriving neighborhood has experienced physical deterioration. Only 36 houses, fewer than half of which are owner-occupied, remain in the neighborhood today. South of River Street, the land is virtually vacant except for large stands of mature pecan trees.

Significantly, the Rainey Street Neighborhood Association has recently abandoned its preservation stance in favor of redevelopment at a higher intensity. The Town Lake Comprehensive Plan endorses this position and recommends careful redevelopment into mixed uses featuring small scale shops and offices combined with residential living. Commercial activity should animate the edge of Waller Creek, and the mature trees that shade the neighborhood should be protected so that they continue to dominate the character of the area.

Some sixteen years later, the conditions described in the Town Lake Park Comprehensive Plan remain substantially unchanged. And the proposed solutions, obviously, have yet to materialize.

## **B. Goals**

1. *Certainty & clarity.* The Downtown Commission believes that the principal goal for city action regarding Rainey Street should be to achieve certainty and clarity in the applicable development regulations, allowing redevelopment to proceed, while still preserving and promoting some important elements of the neighborhood's existing character. Such a solution would allow existing property owners to be reasonably compensated for their investments in the neighborhood. It would also help ensure that future development in the Rainey Street area takes a shape that would be valuable to the whole community.

2. *Active, mixed-use urban environment.* With regard to what sort of development would be the most valuable, there is substantial agreement within the commission, at least at the conceptual level. The commission believes that the community would be well served by working toward a relatively dense, pedestrian-oriented, mixed-use urban environment in the Rainey Street area. The 2000 update of Austin's R/UDAT effort makes the case that improving the pedestrian environment is now the single most important priority for downtown; in the words of the report, this "is not just a design concern; it is a basic economic concern." A healthy mix of uses would give residents and visitors a broad array of destinations, and would help bring life and activity to the neighborhood's public spaces.

3. *Residential development.* The development of additional housing in the Rainey Street area will be key to both the future of the area and to Downtown as a whole. A sizable residential population would help support ground-level retail, which in turn would make the area a more attractive destination for visitors. It would also promote the goal of compact, sustainable development as an alternative to urban sprawl.

The Rainey Street area is particularly well-suited for housing development since housing is currently the predominate use in the area. The City should look for ways to provide additional incentives to develop housing in this area, and to remove barriers to the development of housing in the area. Increasing the supply of housing downtown today is the most effective way of ensuring the affordability of housing in the future.

## C. Recommendations

With the above goals in mind, the commission recommends that the Council consider the following:

- ◆ rezoning lots in the Rainey street area to CBD (Central Business District);
- ◆ a revised set of development regulations for the Rainey Street subdistrict of the Waterfront Overlay combining district; and
- ◆ incentives in the form of infrastructure improvements to reward positive development.

### 1. CBD Zoning

Rezoning to CBD would make the lots in the Rainey Street area more attractive for development purposes, and would help achieve the density needed to sustain ground-level retail. Additionally, regulations applicable to CBD lots would tend to promote a pedestrian-oriented environment.

### 2. Rainey Street Subdistrict of the Waterfront Overlay

Current regulations governing the Waterfront Overlay (WO) Combining District already aim to promote certain goals, such as residential development, the preservation of trees, and access to the waterfront. In some subdistricts, additional regulations prohibit certain uses, make others conditional uses, and require certain amounts of ground-level pedestrian-oriented uses.

The commission recommends reviewing and revising the regulations for the Rainey Street subdistrict of the Waterfront Overlay to serve current goals. This subdistrict encompasses the area bounded by East Cesar Chavez on the north, the Town Lake shoreline on the south, IH-35 on the east, and Waller Creek on the west. Currently, the only regulations specific to the Rainey Street subdistrict establish primary setback lines at 150 feet from the Town Lake shoreline and 50 feet from the Waller Creek centerline.

The goals to be served by the revised regulations would reflect the general goals outlined in Part B above, emphasizing both a healthy pedestrian environment and greater clarity in the expectations for development. Examples of appropriate regulations would include:

- Setbacks of 15 feet or more to allow adequate room for sidewalks and street trees;
- A ban on surface parking lots adjoining Rainey Street;
- A requirement that structured parking garages be encapsulated and/or architecturally integrated within buildings;
- Required streetscape improvements, including sidewalks;
- Requirements for adequate planting space solely dedicated for Large Class 1 Native Shade trees at a minimum ratio, such as ten trees per acre;

- Requirements for ground-level pedestrian-oriented uses;
- A requirement that primary access be provided along public streets;
- Requirements that alleys be kept intact and used for garbage collection and other services.

### 3. Development Incentives

The commission recognizes that CBD zoning could place many of the existing houses on Rainey Street in jeopardy, and would not necessarily result in development that maintains the neighborhood's existing character in any significant respect. The commission believes that development incentives are warranted to help promote positive redevelopment, and to ensure that such redevelopment maintains a "sense of place" that is unique and attractive.

The commission also recognizes, however, that certain incentives that have been used previously would be problematic or impossible in the present context. Up-front financial incentives would involve too much cost and risk. Performance-based incentives could be more workable, but would place additional demands on tax revenues that could otherwise be directed toward infrastructure improvements such as the Waller Creek Tunnel.

The commission also considered the approach of providing alternative, more lenient regulations, such as higher Floor-to-Area Ratio (FAR) allowances, to reward positive development. This approach is already embodied, to some extent, in current Waterfront Overlay regulations; for example, in many base zoning districts within the Waterfront Overlay, floor area for residential or pedestrian-oriented uses is generally permitted, without limitation, in addition to the maximum floor area otherwise permitted. Current Waterfront Overlay regulations also allow additional floor area for tree preservation. Evidently, though, these incentives have proven ineffective. According to reports from staff, developers have generally been able to achieve the densities they need without resorting to these incentives. With CBD zoning, incentives of this type would have even less effect, since few if any projects are likely to exceed the level of density allowed by CBD regulations.

In the interest of providing a more practical and effective type of incentive, the commission suggests that the Council consider various levels of participation in infrastructure improvements, such as new water lines, that would be necessitated by dense redevelopment. Staff involved with Great Streets projects have reported that much of the expense associated with Great Streets arises from the relocation of utility lines. The city could help minimize this type of expense with careful planning, and could assume greater shares of these and other infrastructure expenses when projects are designed to serve certain goals.

Incentives of this type could include provisions aimed at promoting historic character, affordable housing, tree preservation, and a pedestrian-oriented environment. Such

incentives could also serve to address other issues that were previously addressed by the Smart Growth matrix, such as Greenbuilding and design issues.

#### **D. Infrastructure Study**

In advance of any redevelopment, the commission recommends that the City undertake a study of the existing infrastructure in the Rainey Street area to assess the need for, and potential cost of, any improvements that would be required for purposes of redevelopment.

#### **E. Rainey Street Historic District**

As this effort moves forward, the community will have to address related issues, including the implications of the National Register Historic District along Rainey Street.

The Historic District designation itself does not prevent the demolition or removal of structures within the district. It does, however, ensure that any application to demolish or remove a structure within the district must be approved by the City of Austin's Historic Landmark Commission. If that body determines that a structure may merit protection, it may then choose to initiate a historic zoning case. To date, no structures within the historic district have been designated as historic landmarks.

While historic zoning issues are often contentious, the commission hopes that all participants in this discussion will recognize the value of some resolution of the current impasse.

#### **F. Timing**

The whole commission wishes to underscore the importance of timely action regarding the Rainey Street area. A number of residents and property owners have expressed concerns regarding their ability to continue holding their homes, and their need for prompt action. Many properties are simply in limbo pending some decision. Resolving the difficult issues involved in this area would allow everyone involved to get on with their lives, and could add significantly to the city's tax base in the process. For these reasons, the commission suggests that the Council consider moving forward with rezoning even before all related code amendments are finalized.

The Downtown Commission appreciates any consideration of these recommendations, and stands ready to help in implementing them.

**Appendices:**

**A. Maps**

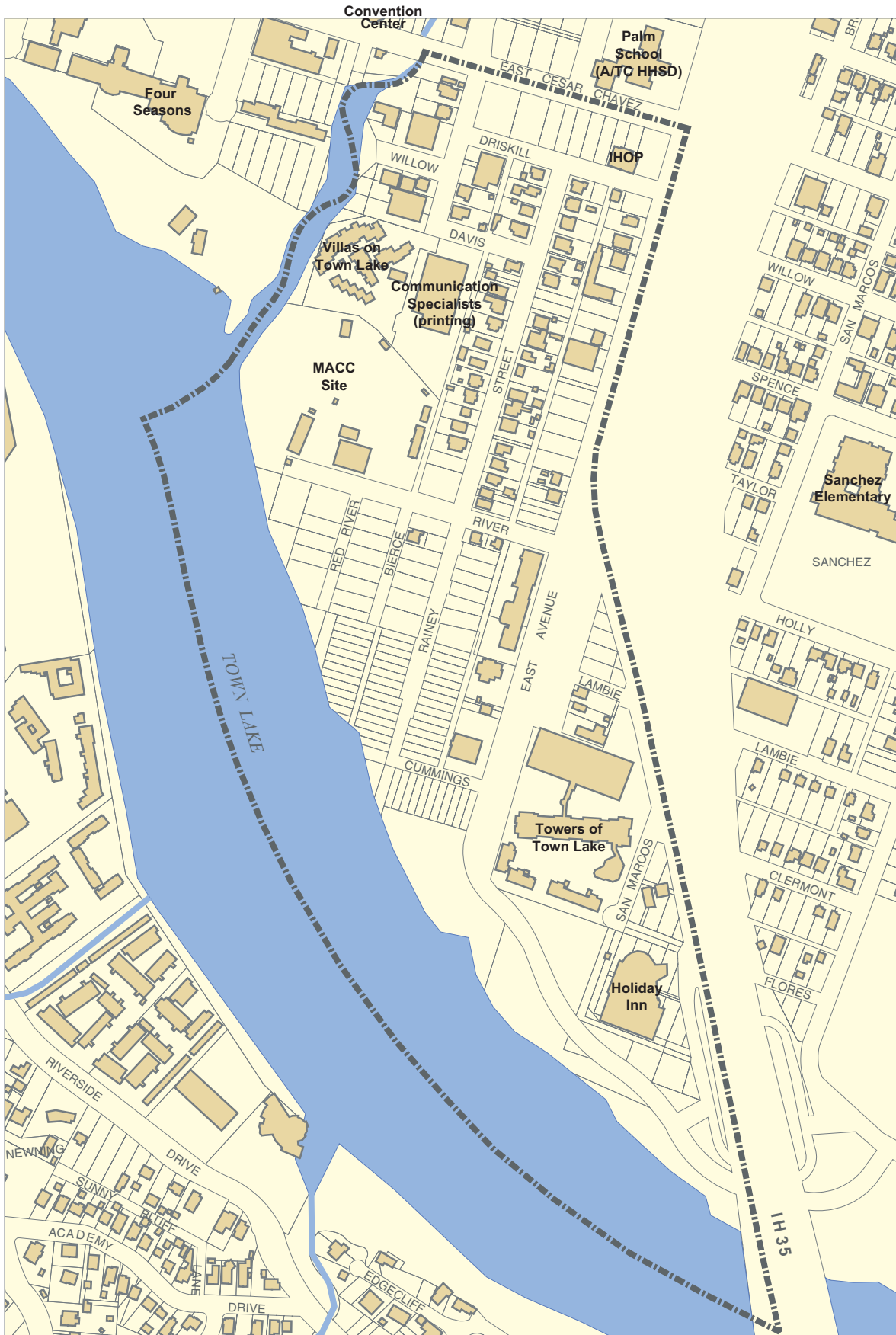
- Rainey Street Area: 2002 Aerial
- Rainey Street Area: 1997 Buildings
- Rainey Street Area: History
- Rainey Street Area: 2000 Land Use
- Rainey Street Area: Zoning

**B. Rainey Street Cross Sections**

**C. Rainey Street Bibliography**

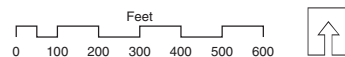
**D. Rainey Street Area Development Regulations**



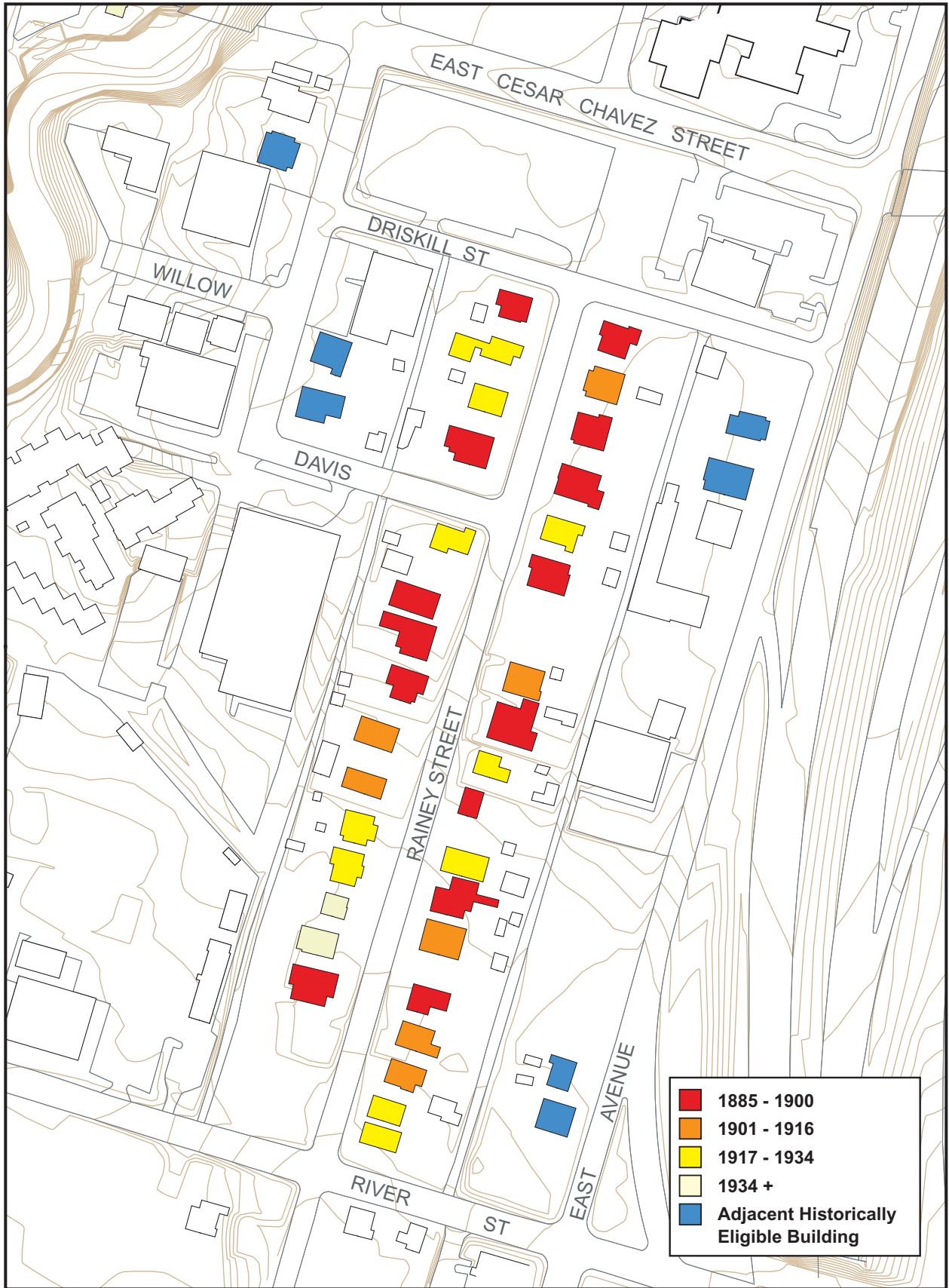


Rainey Street Area

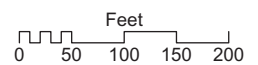
# 1997 Buildings



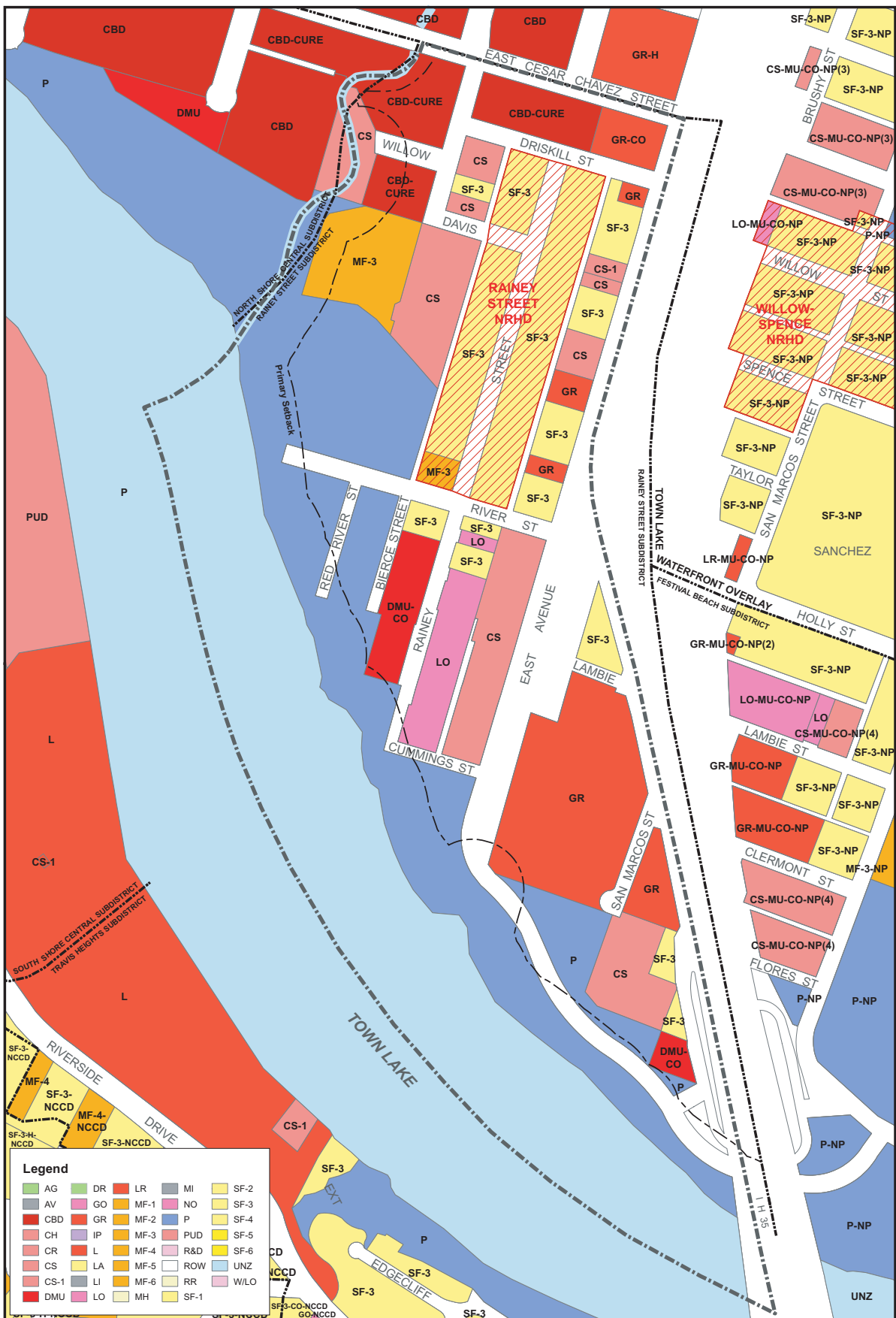
This map has been produced by the City of Austin for the sole purpose of aiding planning decisions and is not warranted for any other use. No warranty is made by the City regarding its accuracy or completeness.



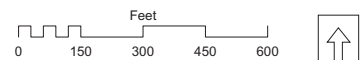
## Rainey Street Area History





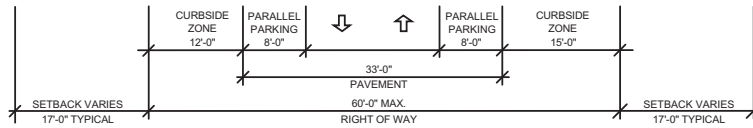
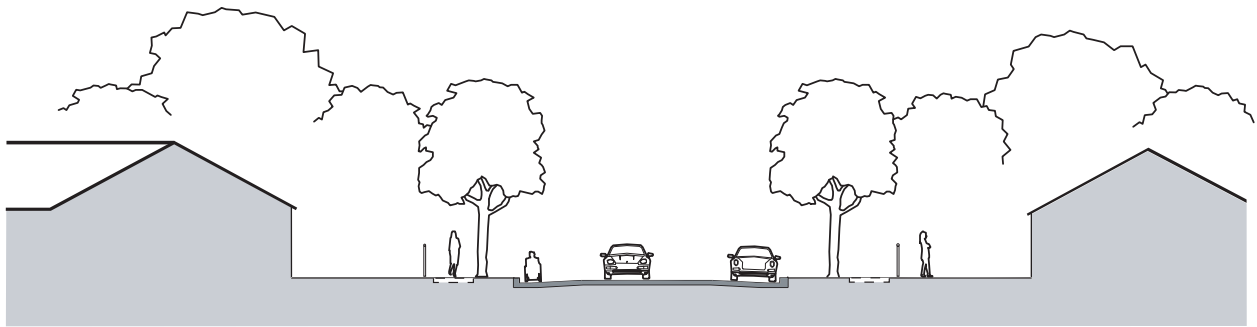


# Rainey Street Area Zoning

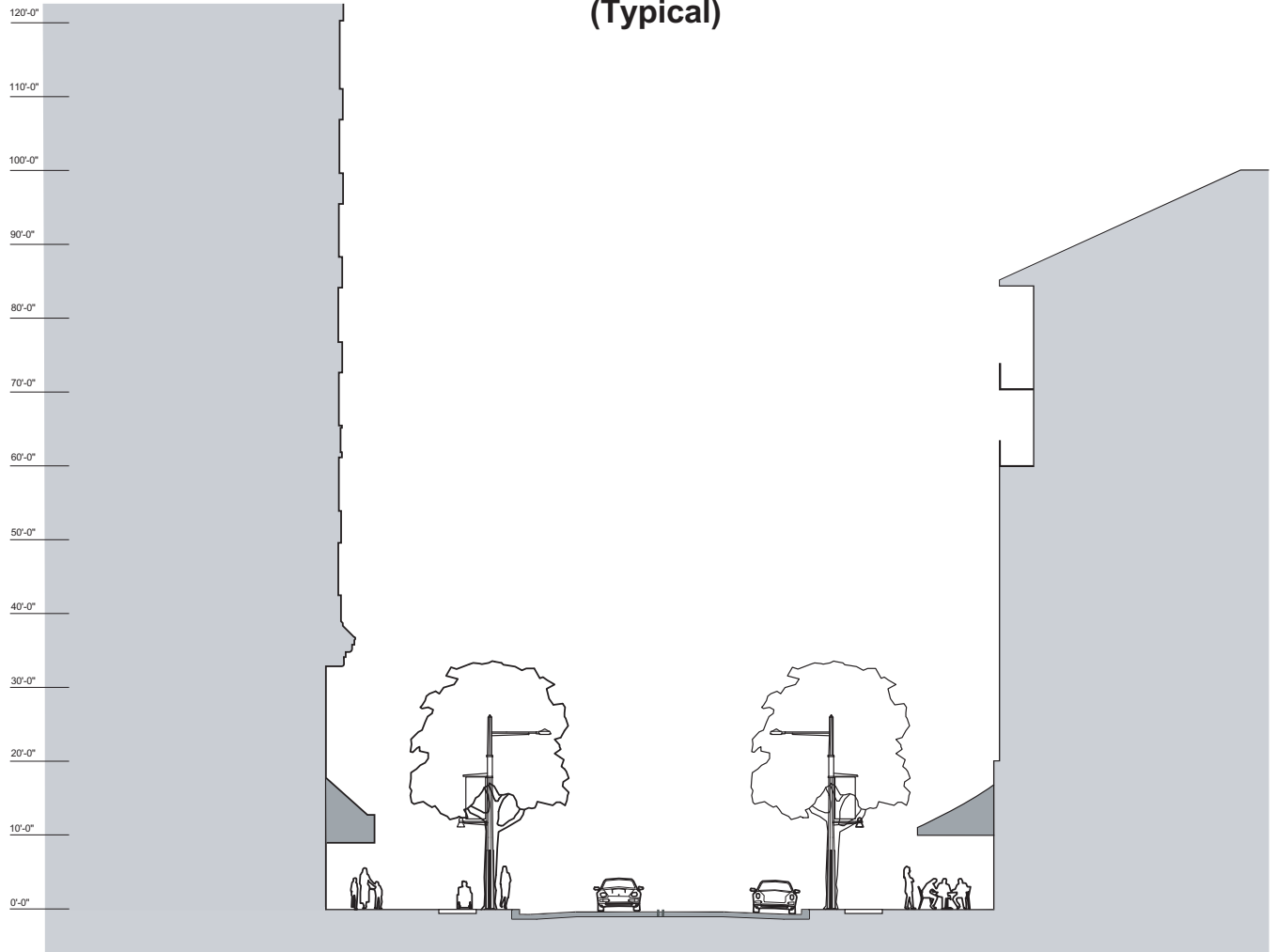


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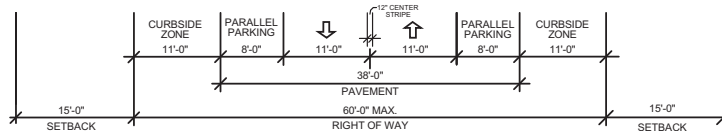
# Rainey Street Cross Sections



**EXISTING  
(Typical)**



**The Plaza  
174'**



**AMLI Downtown  
100'**

**CBD STREET  
with 15' Setback**

Recent Downtown projects shown for comparison.

## Appendix C: Rainey Street – A Bibliography

- 1980 ***Development Alternatives for the Rainey Area***, City of Austin, Planning Department, October, 1980
- 1985 ***Rainey Street Area Update***, City of Austin, Office of Land Development Services, July, 1985
- 2000 ***Rainey Street District: A Site Assessment; A Redevelopment Strategy Concept*** [Craig Nasso], February, 2000
- 2000 ***Rainey Street Neighborhood Redevelopment Strategy***, Rainey Street Neighborhood Association, March, 2000
- 2000 ***The Peculiar Genius of Rainey Street – A Social and Architectural History***, Amy E. Dase and Russell B. Ward for Heritage Society of Austin, April, 2000
- 2001 ***The Rainey Street Studio***, School of Architecture, University of Texas at Austin, Spring 2001

### Related References

- 1985 ***Town Lake Corridor Study***, Town Lake Task Force, October, 1985
- 1987 ***Town Lake Park Comprehensive Plan***, City of Austin, December, 1987
- 2000 ***Austin Town Lake Corridor: South Shore Central/Travis Heights Development Standards***, City of Austin/ROMA Design Group, May, 2000

## Appendix D: Rainey Street Area Development Regulations

**TCAD Maps:** 02-0303, 02-0404

**Location/Boundaries:** Cesar Chavez, I-35, Town Lake

**Tax Jurisdictions:** City of Austin, Travis County, ACC, AISD, Downtown Austin PID (north of Willow and Driskill Streets)

**Area:** 88.5 acres (from *Development Alternatives for the Rainey Area*, City of Austin, Planning Department, October, 1980)

**Watersheds:** Town Lake, Waller Creek

**Overlays:** Rainey Street Subdistrict of Waterfront Overlay District  
Downtown Creeks Zone (60' from centerline of Waller Creek)  
Is not affected by any Capitol View Corridor

**Proposed Zoning:** CBD

### **CBD Site Development Regulations:**

Minimum Lot Size	—
Minimum Lot Width:	—
Maximum Height:	see §25-2-581
Minimum Setbacks:	
Front Yard:	—
Street Side Yard:	—
Interior Side Yard:	—
Rear Yard:	—
Maximum Building Coverage:	100%
Maximum Impervious Cover:	100%
Maximum Floor Area Ratio	8:1

several variances have been recently granted up to 11:1

**Please Note:** Table of Permitted, Conditional, and Prohibited Uses - see Chapter 25-2, pages 69-74 of the printed copy of the code of ordinances.

### **Relevant Code Sections Include:**

§ 25-2-100	Central Business District (CBD) Designation
§ 25-2-581	Central Business District (CBD) District Regulations
§ 25-2-721	Waterfront Overlay (WO) Combining District Regulations
§ 25-6-501(D)	Off-Site Parking Allowed [CBD & DMU Exceptions]
§ 25-6-591	Parking Provisions For Development In The Central Business District (CBD) And A Downtown Mixed Use (DMU) Zoning District

### **Other Notable Code Sections (Not Copied Here) Include:**

§ 25-2-643	Congress Avenue (CA), East Sixth / Pecan Street (PS), Downtown Parks (DP), and Downtown Creeks (DC) Combining District Regulations
§ 25-2-691	Waterfront Overlay (WO) District Uses
§ 25-2-692	Waterfront Overlay (WO) Subdistrict Uses
§ 25-2-713	Variances
§ 25-2-714	Additional Floor Area
§ 25-2-721	Waterfront Overlay (WO) Combining District Regulations
§ 25-2-723	Special Regulations For Public Rights-Of-Way

- § 25-2-739 Rainey Street Subdistrict Regulations
- § 25-2, Appendix B Boundaries of The Waterfront Overlay District (see paragraph 4, defining the Rainey Street Subdistrict)
- § 25-6-592 Loading Facility Provisions for the Central Business District (CBD) and a Downtown Mixed Use (DMU) Zoning District

**§ 25-2-100 Central Business District (CBD) Designation.**

- (A) Central business district (CBD) is the designation for an office, commercial, residential, or civic use located in the downtown area.
- (B) Site development regulations applicable to a CBD district use are designed to:
  - (1) ensure that a CBD use is compatible with the commercial, cultural, historical, and governmental significance of downtown and preserves selected views of the Capitol;
  - (2) promote the downtown area as a vital commercial retail area;
  - (3) create a network of pleasant public spaces and pedestrian amenities in the downtown area;
  - (4) enhance existing structures, historic features, and circulation patterns in the downtown area; and
  - (5) consider significant natural features and topography in the downtown area.

*Source: Section 13-2-68.*

**§ 25-2-581 Central Business District (CBD) District Regulations.**

- (A) This section applies in a central business (CBD) district.
- (B) Notwithstanding any other provision of this chapter, the requirements of Article 10 (Compatibility Standards) do not apply.
- (C) This subsection applies to a convention center use.
  - (1) Council approval is required for a site plan for a convention center use. Approval of a site plan:
    - (a) establishes the site development regulations; and
    - (b) waives regulations that are inconsistent with the site plan, if any.
  - (2) A public hearing is required for each site plan considered under this subsection.
  - (3) The director shall give notice of a public hearing required by this subsection in accordance with Section 25-1-132(C) (Notice of Public Hearing).

*Source: Section 13-2-661.*

**§ 25-2-721 Waterfront Overlay (WO) Combining District Regulations**

- (A) This subsection provides requirements for review and approval of site plans.
  - (1) Approval of a site plan by the Land Use Commission is required if an applicant requests a waiver from a requirement of this part under Section [25-2-713](#) (*Variances*).
  - (2) Review of a site plan by the Director of the Parks and Recreation Department is required before the site plan may be approved. The Director of the Parks and Recreation Department shall determine:
    - (a) whether the site plan is compatible with adopted park design guidelines; and
    - (b) if significant historic, cultural, or archaeological sites are located on the property.
- (B) In a primary setback area:
  - (1) except as otherwise provided in this subsection, parking areas and structures are prohibited; and
  - (2) park facilities, including picnic tables, observation decks, trails, gazebos, and pavilions, are permitted if:
    - (a) the park facilities are located on public park land; and
    - (b) the impervious cover does not exceed 15 percent.
- (C) In a secondary setback area:
  - (1) fountains, patios, terraces, outdoor restaurants, and similar uses are permitted; and
  - (2) impervious cover may not exceed 30 percent.

- (D) This subsection provides requirements for parking areas.
    - (1) Surface parking:
      - (a) must be placed along roadways, if practicable; and
      - (b) must be screened from views from Town Lake, the Colorado River, park land, and the creeks named in this part.
    - (2) A parking structure that is above grade:
      - (a) must be on a pedestrian scale and either architecturally integrated with the associated building or screened from views from Town Lake, the Colorado River, park land, and the creeks named in this part; and
      - (b) if it is adjacent to Town Lake, the Colorado River, park land, or a creek named in this part, it must incorporate pedestrian oriented uses at ground level.
    - (3) Setback requirements do not apply to a parking structure that is completely below grade.
  - (E) This subsection provides design standards for buildings.
    - (1) Exterior mirrored glass and glare producing glass surface building materials are prohibited.
    - (2) Except in the City Hall subdistrict, a distinctive building top is required for a building that exceeds a height of 45 feet. Distinctive building tops include cornices, steeped parapets, hipped roofs, mansard roofs, stepped terraces, and domes. To the extent required to comply with the requirements of Section [17-2-292\(E\)](#) (*Rules For Heli-Facilities*), a flat roof is permitted.
    - (3) Except in the City Hall subdistrict, a building basewall is required for a building that fronts on Town Lake, Shoal Creek, or Waller Creek, that adjoins public park land or Town Lake, or that is across a street from public park land. The basewall may not exceed a height of 45 feet.
    - (4) A building facade may not extend horizontally in an unbroken line for more than 160 feet.
  - (F) Underground utility service is required, unless otherwise determined by the utility provider.
  - (G) Trash receptacles, air conditioning or heating equipment, utility meters, loading areas, and external storage must be screened from public view.
- Source: Section 13-2-700; Ord. 990715-115; Ord. 010607-8.*

**§ 25-6-591 Parking Provisions for Development in the Central Business District (CBD) and Downtown Mixed Use (DMU) Zoning District.**

- (A) In a central business district (CBD) or a downtown mixed use (DMU) zoning district:
  - (1) off-street parking is not required for a use occupying a designated historic landmark or located in an existing building in a designated historic district;
  - (2) off-street parking is not required for a use occupying less than 6,000 square feet of floor space in a structure that existed on April 7, 1997;
  - (3) except as provided in Subsections (A)(4) and (B), the minimum parking facility requirement is 20 percent of the number of parking spaces required by Appendix A (Tables Of Off-Street Parking And Loading Requirements) and the maximum parking facility requirement is 60 percent of the number of parking spaces required by Appendix A (Tables Of Off-Street Parking And Loading Requirements); and
  - (4) a parking facility for a residential use must provide at least 80 percent of the number of parking spaces required by Appendix A (Tables Of Off-Street Parking And Loading Requirements);
  - (5) except as provided in Subsections (C) and (D), a parking garage must be separated from an adjacent street by a pedestrian-oriented use described in Section 25-2-691 (Waterfront Overlay (WO) District Uses) that fronts on the street at the ground level;
  - (6) a curb cut for a garage access must have a width of 30 feet or less; and
  - (7) at the intersection of sidewalk and parking access lane, ten degree cones of vision are required.
- (B) The number of parking spaces allowed under Subsection (A)(3) may be increased:
  - (1) by the director if all parking spaces are contained in a parking structure; or
  - (2) by the Land Use Commission if the criteria in Section 25-6-501(D) (Off-Site Parking Allowed) are satisfied.

- (C) The Land Use Commission may waive the requirement of Subsection (A)(5) during the site plan review process after determining that:
- (1) present and anticipated development in the area is not amenable to access by pedestrians;
  - (2) the requirement does not allow a reasonable use of the property; or
  - (3) other circumstances attributable to the property make compliance impractical.
- (D) If a waiver is granted under Subsection (C), an area for which the requirement is waived must be screened.

*Source: Section 13-5-106 (a) and (b); Ord. 990603-108; Ord. 010607-8.*